

**Illinois Department of Revenue  
Regulations**

<b>Title 86 Part 100 Section 100.5201 Definitions and Miscellaneous Provisions Relating to Combined Returns</b>
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**TITLE 86: REVENUE**

**PART 100  
INCOME TAX**

**Section 100.5201 Definitions and Miscellaneous Provisions Relating to Combined Returns**

- a) In general. These definitions and provisions apply to this Subpart P.
- b) Combined group. The term "combined group" means those eligible members of a unitary business group who have made an election to be treated as one taxpayer, or who are required to be treated as one taxpayer, under IITA Section 502(e).
- c) Combined return. The term "combined return" means a single tax return filed on behalf of a combined group. A combined return shall be filed using a single Form IL-1120 with Schedule UB (Unitary Business Schedule).
- d) Combined return year. The term "combined return year" means a taxable year for which a combined return is filed or is required to be filed.
- e) Common taxable year. The term "common taxable year" means the taxable year used by a combined group in reporting its combined net income, as determined under the provisions of Section 100.5265.
- f) Controlling corporation. The "controlling corporation" of a combined group is the corporation, if any, that directly or indirectly owns a controlling interest in all of the other eligible members of a combined group. A controlling interest means more than 50% of the outstanding voting stock of a member. Indirect ownership of an interest in a corporation includes constructive ownership (under Section 318 of the Internal Revenue Code) of an interest in the corporation which is owned by a related party, whether or not the related party is itself a member of the combined group.
- g) Designated agent. The term "designated agent" means the member appointed under Section 100.5220.
- h) Election. The term "election" refers to the election provided in Section IITA 502(e), as in effect for taxable years ending prior to December 31, 1993, to be treated as one taxpayer.
- i) Eligible member. The term "eligible member" means a corporation which is a member of a unitary business group and which has taxable presence in Illinois. Part-year members of a unitary business group are eligible members. Noncorporate taxpayers and Subchapter S corporations are not eligible members, either in combination with corporations which are eligible members or in combination with other noncorporate taxpayers or Subchapter S corporations. Members of a unitary business group are

eligible members even though the unitary business group includes noncorporate members or Subchapter S corporations which are not eligible to join in the filing of a combined return.

- j) Separate company return. The term "separate company return" means an Illinois income tax return filed by a corporation which is not a member of a unitary business group.
- k) Separate company items. The term "separate company items" means the income, deductions, credits, tax liability and other facts of a corporation relevant to the computation of its Illinois Income Tax liabilities, determined as if such corporation was neither a member of an affiliated group filing consolidated federal income tax returns nor a member of a combined group.
- l) Separate unitary return. The term "separate unitary return" means an Illinois income tax return of a member of a unitary business group which has not elected to file a combined return for a taxable year ending prior to December 31, 1993 or by a member of a unitary business group which is not eligible to join in the filing of a combined return.
- m) Unitary business group. The term "unitary business group" shall have the same meaning as provided in IITA Section 1501(a)(27) and Section 100.9700 of this Part.

(Source: Added at 22 Ill. Reg. 19033, effective October 1, 1998)